

ASSEMBLY BILL

No. 1703

Introduced by Assembly Member Knight

February 1, 2010

An act to amend Section 70123 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

AB 1703, as introduced, Knight. State Nursing Assumption Program of Loans for Education: veterans homes.

Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. Existing law establishes a program within the State Nursing Assumption Program of Loans for Education (SNAPLE), administered by the commission, under which any person who is enrolled in an eligible institution, and who agrees to work full time as a registered nurse in a state-operated 24-hour facility, including a prison, psychiatric hospital, or veterans home, that employs registered nurses, is eligible to receive a conditional loan assumption agreement, to be redeemed upon becoming employed as a clinical registered nurse in a state-operated 24-hour facility that employs registered nurses and that has a clinical registered nurse vacancy rate of greater than 10%. The SNAPLE program provides for a progressive assumption of the amount of a qualifying loan over 4 consecutive years of qualifying clinical registered nursing service, up to a total loan assumption of \$20,000. Under existing law, this program becomes inoperative on July 1, 2012, and is repealed on January 1, 2013.

This bill would expand the progressive assumption of the amount of qualifying loans under the SNAPLE program for a participant that completes qualifying clinical registered nursing service at a state-operated veterans home. The bill would provide for an additional loan assumption of up to \$5,000 per year of additional qualifying service, with a maximum loan assumption amount equal to the participant's total outstanding liability under the qualifying loans, for participants completing 5 or more years of qualifying clinical registered nursing service at a state-operated veterans home.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 70123 of the Education Code is amended
2 to read:

3 70123. The terms of a loan assumption granted under this
4 article shall be as follows, subject to the specific terms of each
5 agreement:

6 (a) After a program participant has completed one year of
7 full-time employment as described in subdivision (b) of Section
8 70122, the commission shall assume up to five thousand dollars
9 (\$5,000) of the participant's outstanding liability under one or
10 more of the designated loan programs.

11 (b) After a program participant has completed two years of
12 full-time employment as described in subdivision (b) of Section
13 70122, the commission shall assume up to an additional five
14 thousand dollars (\$5,000) of the participant's outstanding liability
15 under one or more of the designated loan programs, for a total loan
16 assumption of up to ten thousand dollars (\$10,000).

17 (c) After a program participant has completed three years of
18 full-time employment as described in subdivision (b) of Section
19 70122, the commission shall assume up to an additional five
20 thousand dollars (\$5,000) of the participant's outstanding liability
21 under one or more of the designated loan programs, for a total loan
22 assumption of up to fifteen thousand dollars (\$15,000).

23 (d) After a program participant has completed four years of
24 full-time employment as described in subdivision (b) of Section
25 70122, the commission shall assume up to an additional five
26 thousand dollars (\$5,000) of the participant's outstanding liability

1 under one or more of the designated loan programs, for a total loan
2 assumption of up to twenty thousand dollars (\$20,000).

3 *(e) For a program participant employed as a clinical registered*
4 *nurse in a state-operated veterans home who has completed five*
5 *or more years of full-time employment, as described in subdivision*
6 *(b) of Section 70122, in a state-operated veterans home, the*
7 *commission shall assume up to an additional five thousand dollars*
8 *(\$5,000) of the participant's outstanding liability under one or*
9 *more of the designated loan programs for each additional year of*
10 *full-time employment in a state-operated veterans home. The total*
11 *loan assumption for a program participant under this subdivision*
12 *shall be equal to the participant's total outstanding liability under*
13 *one or more of the designated loan programs.*